

**RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF RAHWAY**

**RESOLUTION NO. 1616**

**DATE OF ADOPTION: SEPTEMBER 10, 2020**

**SUBJECT:** REVISION FROM THE 2020 FAIR MARKET RENT (FMR) TO THE 2021 FMR AT THE 40<sup>TH</sup> PERCENTILE AS PAYMENT STANDARD FOR THE SECTION 8 RENT SUBSIDY PROGRAM FOR THE TWELVE MONTH PERIOD STARTING OCTOBER 1, 2020

**THE FOLLOWING RESOLUTION** was presented by the Executive Director/Secretary at a Regular Meeting held on September 10, 2020:

**WHEREAS**, the Rahway Housing Authority (hereinafter the "Authority") operates a Section 8 Housing Choice Voucher Program hereinafter (the "Voucher Program"), in accordance with regulations promulgated by the United States Department of Housing and Urban Development ("HUD"); and

**WHEREAS**, HUD requires that the Authority adopt payment standards for the Section 8 Program; and

**WHEREAS**, the Authority has determined to replace the current 2020 fair market rents with the 2021 fair market rents at the 40<sup>th</sup> percentile as this applies to the City of Rahway; and

**WHEREAS**, HUD has provided "Hypothetical" small area FMR's as opposed to the current FMR's for all of Essex and Union Counties. These "Hypothetical" small area FMR's isolate rents just in Rahway and confirm our long standing view that rents in Rahway statistically are higher than the average FMR's developed using all of Essex and Union County statistics; and

**WHEREAS**, these "Hypothetical" small area FMR's have been taken into consideration to develop RHA's proposed Payment Standards; and

**WHEREAS**, HUD has implemented Budget subsidies as opposed to Unit Based costs requiring Housing Authorities nationwide to absorb possible expenditure overages; and

**WHEREAS**, in light of this year's new FMR's and while keeping in mind budgeting restraints, the following payment standards (including utilities) are proposed:

	<b>HUD 2020 FMR</b>	<b>Small Area 07065 FMR</b>	<b>HUD 2021 FMR</b>		<b>RHA 2020 Payment Standard</b>	<b>RHA Proposed 2021 Payment Standard</b>	<b>Percent Above 2020 HUD FMR</b>
Studio	1034	1310	1129		1000	1000	-
1 Bedroom	1218	1570	1358		1340	1440	6%
2 Bedroom	1483	1900	1643		1600	1700	3.4%
3 Bedroom	1891	2420	2096		2050	2150	2.5%
4 Bedroom	2236	2890	2498		2230	2500	.08%

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**NOW, THEREFORE, BE IT RESOLVED**, by the Commissioners of the Authority that the Authority hereby replaces its 2020 Payment Standards with new Payment Standards for 2021 for RHA's Section 8 Program effective October 1, 2020. Historically, HUD FMR's for Union/Essex County are lower than Rahway's actual rents for 1, 2 & 3 bedroom units, thus the percentage above HUD FMR's.

**COMMISSIONER** Thomas-Petit made a motion to adopt the above resolution, which was seconded by **COMMISSIONER** Ragan, and on a roll call vote the Ayes and Nays were as follows:

**AYES**  
Lesinski  
Ragan  
Simon  
Thomas  
Thomas-Petit

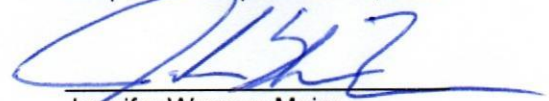
**NAYS**

**ABSTAIN**

**ABSENT**  
Gonzalez  
Pekarofski

**THE CHAIRPERSON** thereupon declared Resolution No. 1616 adopted.

I certify that the foregoing is a true copy of a resolution of the Housing Authority of the City of Rahway adopted on September 10, 2020.



Jennifer Wenson Maier  
Secretary/Executive Director

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